



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

November 17, 2009

Lawrence J. Makal
Director, Raytheon Six Sigma
Raytheon Company
1200 South Jupiter Road, M/S MA-C14-3
Garland, TX 75042

Dear Mr. Makal:

RE: FINAL MONITORING VISIT REPORT for Raytheon Company – ET08-0158

Date of the Visit:	11/10/09
Beginning/Ending Time:	10:00 a.m. – 12:00 p.m.
Date of Last Visit:	09/29/08
Visit Location:	El Segundo
Persons in attendance:	Lawrence Makal, Raytheon John Twomey, Administrative Consultant Mark Reeves, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	07/30/07 – 07/29/09	Agreement Amount:	\$1,804,000
Training Start Date:	07/30/07	Avg. No. to Retain:	4,000
Date Training must be Completed:	04/30/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	34

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

FINAL REPORT SUMMARY:

• ***HISTORY OF AGREEMENT***

Training began on July 30, 2007 and your records confirm that all training for this Agreement was completed by April 29, 2009, to allow for the 90-day retention period to be completed within the contract term end date of July 29, 2009.

There were no modifications or amendments executed in connection with this Agreement.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number To Retain	Number Enrolled in Training	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees In Retention	Number of Trainees Completed Retention
1	3500	3100	2057	1037	0	1037
2	500	834	508	324	0	324
Totals:	4000	3934	2565	1361	0	1361

Breakdown and discussion of expected earnings:

You and Mr. Twomey confirmed the final project statistics for the closeout of this Agreement. Your records indicate that Raytheon retained a total of 1,361 trainees. The ETP Class/Lab Tracking system reflects that 1,361 trainees completed the minimum required 24 hours of class/lab training, for a cumulative total of 58,188 hours (Job Numbers 1 & 2). Mr. Twomey confirmed that the final closeout invoice for this Agreement has been processed by ETP. The ETP Contract Status Report shows that Raytheon has earned \$816,244, for a completion rate of approximately 45 percent.

• ***INTERVIEW WITH CONTRACT REPRESENTATIVES***

Based on your company's lower than expected completion rate, Mr. Reeves inquired regarding the barriers that precluded Raytheon from performing better on this Agreement. You explained that the economic downturn led to training budget cuts that caused a significant number of trainees to fall just short of completing the minimum required 24 hours of class/lab training.

You and Mr. Twomey reported that Raytheon did not experience any significant record keeping problems during the administration of this Agreement. You informed Mr. Reeves that Raytheon anticipates an increased need for training in the coming months and is looking forward to utilizing newly approved ETP funds to support the company's planned training efforts.

ATTENDANCE ROSTERS:

Mr. Reeves reviewed class/lab attendance rosters for 25 trainees enrolled in Jobs Numbers 1 and 2. The rosters covered the period from July 30, 2007 through April 29, 2009. The training documented during this review included Business Skills, Computer Skills, Continuous Improvement, Hazardous Materials, Manufacturing Skills, and Advanced Technology topics from the approved curriculum. The rosters were complete and the 1:20 (class/lab) and/or 1:10 (Advanced Technology) trainer to trainee ratios were maintained. The review confirmed that the trainees completed 24 to 65 hours of class/lab training from the approved curriculum.

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed. It is your responsibility to ensure that 100 percent of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22, California Code of Regulations, Section 4442).

INVOICES:

The records review mentioned above confirmed that the 25 trainees completed the class/lab hours submitted for payment and paid on Invoice Numbers 5 and 6.

AUDIT:

Raytheon will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Mr. Reeves at (818) 755-3635 or by e-mail at sreeves@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Manager
North Hollywood Regional Office

Signature on file

S. Mark Reeves, Contract Analyst
North Hollywood Regional Office

cc: John Twomey (via e-mail)
David Guzman, Chief, Audits & Program Operations Division (via e-mail)
Kulbir Mayall, Manager, Fiscal and Certification (via e-mail)
Master File
Project File

Date report mailed to Contractor 11/23/09